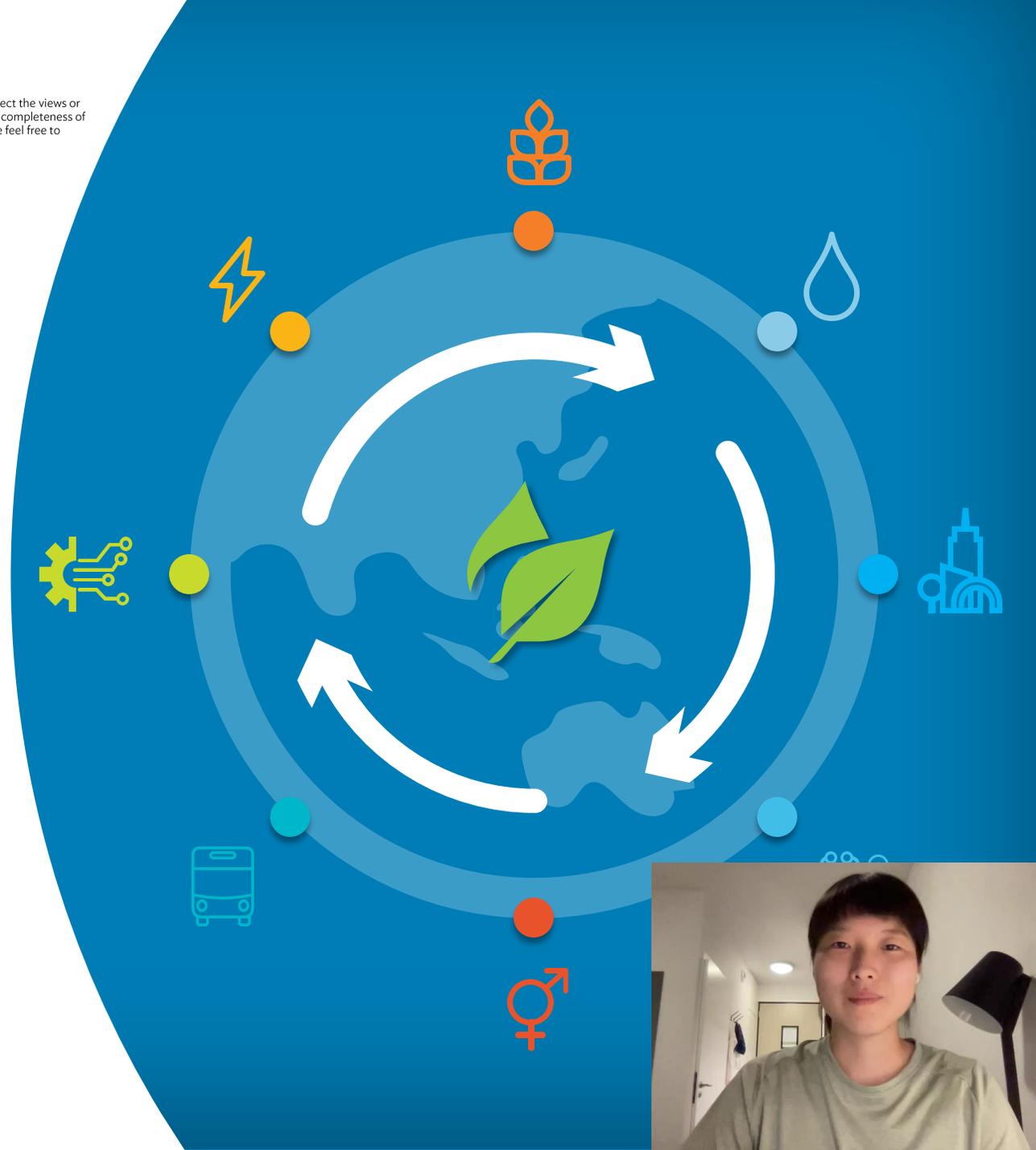




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ESG Financing for Re-usable Packaging for E-commerce

Pei-Tsz (Amy) Sun



Outline

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Business Model

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Challenges & Policy Suggestions



Why and what is PackAge+?

Online shopping ↑

100 million
packaging boxes

Packaging waste ↑



Package plus Co., Ltd.

- ◆ Established: 2019 April
- ◆ Registered Capital: **NTD 28 million**
(93,665 USD)
- ◆ Total number of issued shares: 6,076,478
- ◆ Investors: **TSMC**, CTBC Bank,
LCY Chemical Group, etc.
- ◆ Employees: 18 people



(kg CO₂e)

Plastic bag

0.399



80%

Compared to plastic bag,
0.346 kg CO₂e can be reduced
per unit of packaging.

PackAge+
reusable packaging

0.053



Cardboard box

0.151



60%

Compared to cardboard box,
0.098 kg CO₂e can be reduced
per unit of packaging.



Product Advantages

- ◆ Made of recycled materials
- ◆ Waterproof
- ◆ Anti-fouling
- ◆ Anti-collision
- ◆ Anti-theft
- ◆ Can be reused more than 100 times

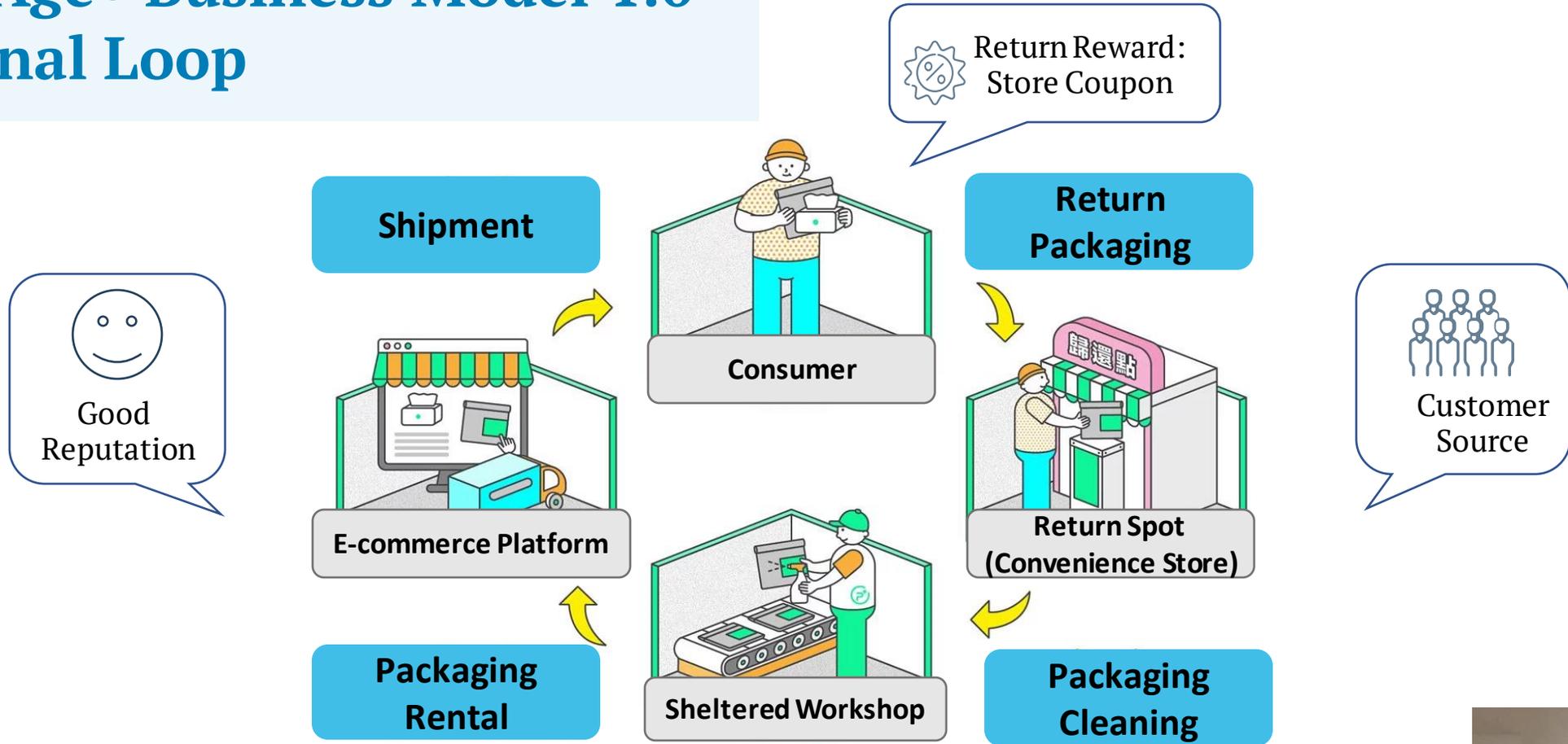


PackAge+



PackAge+ Business Model 1.0

Internal Loop

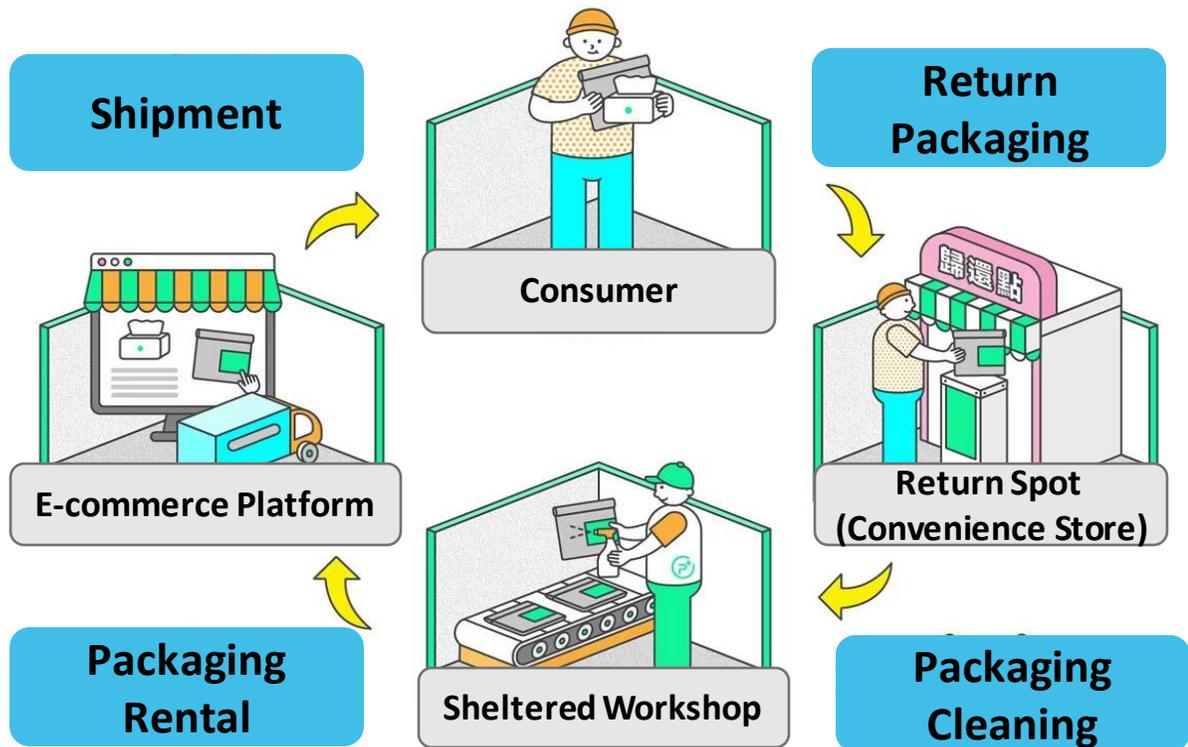


Source: <https://www.packageplus-tw.com/pages/recyclingsystem1>



PackAge+ Business Model 2.0

External Intervention



ESG Services

- B2B sustainable supply chain
- Carbon emission data
- Sustainability consultant service

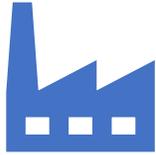


Funding Channels

- Cleaning Fee (Sheltered Workshops)
- Packaging production
- Investment



ESG Services



B2B sustainable supply chain

High-tech industry logistic



Carbon emission data

- Reusable packaging for corporate gifting, groceries delivery
- Corporation employee engagement: firm internal return spots
- Purchasing eco-friendly products



Sustainability consultant service



Funding Channels



Cleaning fee for sheltered workshop

Donation from hospital



Packaging production

Corporation funding



Investment

Venture Philanthropy



PackAge+ collaborates with **sheltered workshops** that offer jobs for the underprivileged groups.



CTBC



Value Change

Business model 1.0 – Internal Loop

- Alignment of packaging reduction
- Target at: e-commerce platforms
- Actors: sustainable brands, government pilot program
- Driving force: integrated platform, good reputation, being eco-friendly
- Value: reduction on carbon emission and packaging waste, amortizing packaging cost

Business model 2.0 – External Intervention

- Innovation on business model to sustain the operation
- Target at: whatever corporations
- New actors: bank, B2B logistic, diversified return points
- New Driving force: creating online to offline purchase, ESG needs and consultancy
- **New value: ESG services, creating jobs for sheltered workshops**



Financing

Crowd funding

- Flying V crowd funding:
6 million NTD (204,255 USD)

Angel investment

- Smart Capital angel investment:
product development and manufacture

Government funding

- Youth Development Administration
- Social Enterprise Subsidy

Corporations Funding

- TSMC Education & Culture Foundation
- LCY Chemical Group

ESG Investment

- CTBC (China Trust Commercial Bank):
venture philanthropy sustainable
financing



Challenges



Policy and regulation

Non-coercive governmental guidelines.



Reusable packaging standards

Not diversified packaging sizes.



Consumer behavior

No deposit means no guarantee of returning.



Packaging returning convenience

Return spots only locate in big cities.

Online-shopping Packaging Reduction Guidelines

PackAge+ → Provides **5** sizes

E-commerce → Needs over **20** sizes



Policy Suggestions

Adjust the reduction guidelines and internalize the externality of carbon emission.

- Carbon taxes for e-commerce

CE policies

- Ban single use packaging on e-commerce delivery
- Impose EPR (extended producer responsibility)



Thanks!

